

Senate File 2216 - Introduced

SENATE FILE 2216

BY JOHNSON

A BILL FOR

1 An Act relating to public hospitals by allowing a hospital
2 board to hold closed sessions for strategic planning and
3 by allowing a city to reduce terms for trustees for city
4 hospitals or health care facilities.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 21.5, subsection 1, paragraph 1, Code
2 2014, is amended to read as follows:

3 1. To discuss patient care quality and process improvement
4 initiatives in a meeting of a public hospital or to discuss
5 strategic planning, marketing and pricing strategies, or
6 similar proprietary information in a meeting of a public
7 hospital, where public disclosure of such information would
8 harm such a hospital's competitive position when no public
9 purpose would be served by public disclosure. The minutes and
10 the audio recording of a closed session under this paragraph
11 shall be available for public inspection when the public
12 disclosure would no longer harm the hospital's competitive
13 position. For purposes of this paragraph, "*public hospital*"
14 means a hospital licensed pursuant to chapter 135B and governed
15 pursuant to chapter 145A, 226, 347, 347A, or 392. This
16 paragraph does not apply to the information required to be
17 disclosed pursuant to section 347.13, subsection 11, or to any
18 discussions relating to terms or conditions of employment,
19 including but not limited to compensation of an officer or
20 employee or group of officers or employees.

21 Sec. 2. Section 392.6, subsections 1 and 2, Code 2014, are
22 amended to read as follows:

23 1. If a hospital or health care facility is established by a
24 city, the city shall by ordinance provide for the election, at
25 a special election held pursuant to section 39.2, subsection 4,
26 paragraph "b", of three trustees, whose terms of office shall be
27 four years, unless otherwise provided pursuant to subsection
28 2A. However, at the first election, three shall be elected and
29 hold their office, one for four years and two for two years,
30 and they shall by lot determine their respective terms, unless
31 otherwise provided pursuant to subsection 2A. A candidate for
32 hospital or health care facility trustee must be a resident of
33 the hospital or health care facility service area within the
34 boundaries of the state at the time of the election at which
35 the person's name appears on the ballot. A board of trustees

1 elected pursuant to this section shall serve as the sole and
2 only board of trustees for any and all institutions established
3 by a city as provided for in this section.

4 2. The administration and management of an institution as
5 provided for in this section is vested in a board of trustees
6 consisting of three, five, or seven members. A three-member
7 board may be expanded to a five-member board, and a five-member
8 board may be expanded to a seven-member board. Expansion of
9 the membership of the board shall occur only on approval of
10 a majority of the current board of trustees. The additional
11 members shall be appointed by the current board of trustees.
12 One appointee shall serve until the next succeeding general
13 or regular city election, at which time a successor shall be
14 elected, and the other appointee shall serve until the second
15 succeeding general or regular city election, at which time
16 a successor shall be elected. The determination of which
17 election an appointed additional member shall be required to
18 seek election shall be determined by lot. Thereafter, the
19 terms of office of such additional members shall be four years,
20 unless otherwise provided pursuant to subsection 2A.

21 Sec. 3. Section 392.6, Code 2014, is amended by adding the
22 following new subsection:

23 NEW SUBSECTION. 2A. a. A city may by ordinance provide for
24 the initial election, at a special election held pursuant to
25 section 39.2, subsection 4, paragraph "b", of three trustees,
26 whose terms of office shall be three years. However, at the
27 first election, three shall be elected and hold their office,
28 one shall serve until the next succeeding general or regular
29 city election, one shall serve until the second succeeding
30 general or regular city election, and one shall serve until the
31 third succeeding general or regular city election, and they
32 shall by lot determine their respective terms.

33 b. (1) A city may by ordinance reduce the length of terms
34 of all trustees of an existing three-member board of trustees
35 from four-year terms to three-year terms, provided that the

1 ordinance specifies the following:

2 (a) That the trustee who has served the greatest number of
3 days of a four-year term shall serve until the next succeeding
4 general or regular city election.

5 (b) That the trustee elected who has served the fewest
6 number of days of a four-year term shall serve until the third
7 succeeding general or regular city election.

8 (c) If two trustees have served the same number of days,
9 that the determination of which trustee shall be required to
10 seek election at the second succeeding general or regular city
11 election shall be determined by lot.

12 (d) That not more than one trustee office shall appear on
13 the ballot at a general or regular city election.

14 (2) A city may by ordinance reduce the length of terms
15 of all trustees of an existing five-member board of trustees
16 from four-year terms to three-year terms, provided that the
17 ordinance specifies the following:

18 (a) That the two trustees who have served the greatest
19 number of days of a four-year term shall serve until the next
20 succeeding general or regular city election.

21 (b) That the two trustees who have served the fewest
22 number of days of a four-year term shall serve until the third
23 succeeding general or regular city election.

24 (c) If three trustees have served the same number of days,
25 that the determination of which trustee shall be required to
26 seek election at the second succeeding general or regular city
27 election shall be determined by lot.

28 (d) That not more than two trustee offices shall appear on
29 the ballot at a general or regular city election.

30 (3) A city may by ordinance reduce the length of terms of
31 all trustees of an existing seven-member board of trustees
32 from four-year terms to three-year terms, provided that the
33 ordinance specifies the following:

34 (a) That the three trustees who have served the greatest
35 number of days of a four-year term shall serve until the next

1 succeeding general or regular city election.

2 (b) That the two trustees who have served the fewest
3 number of days of a four-year term shall serve until the third
4 succeeding general or regular city election.

5 (c) That the determination of which two trustees shall be
6 required to seek election at the second succeeding general or
7 regular city election shall be determined by lot, provided
8 that if there are four trustees that have all served the same
9 greatest number of days, that no more than one trustee of that
10 group be selected by lot and be required to seek election at
11 the second succeeding general or regular city election.

12 (d) That not more than three trustee offices shall appear on
13 the ballot at a general or regular city election.

14 EXPLANATION

15 The inclusion of this explanation does not constitute agreement with
16 the explanation's substance by the members of the general assembly.

17 This bill relates to boards of trustees for city hospitals or
18 health care facilities.

19 Under current law, a governmental body may hold a closed
20 session for certain reasons, and members of the public may be
21 denied access to the session. Current law provides that one
22 such reason is to discuss patient care quality and process
23 improvement initiatives in a meeting of a public hospital or to
24 discuss marketing and pricing strategies or similar proprietary
25 information in a meeting of a public hospital, where public
26 disclosure of such information would harm such a hospital's
27 competitive position when no public purpose would be served by
28 public disclosure. The bill provides that such a hospital may
29 also hold a closed session to discuss strategic planning. By
30 operation of current law, the minutes and the audio recording
31 of a closed session to discuss strategic planning shall be
32 available for public inspection when the public disclosure
33 would no longer harm the hospital's competitive position.

34 Under current law, a city council may adopt an ordinance
35 to provide for the election of an initial three-member board

1 of trustees for a city hospital or health care facility to
2 serve four-year terms. The bill provides that a city council
3 may also adopt an ordinance to provide for the election of an
4 initial three-member board of trustees for a city hospital
5 or health care facility to serve three-year terms. The bill
6 further provides that a city may adopt an ordinance to reduce
7 the terms of trustees from four to three years for an existing
8 board of trustees with three, five, or seven members. The bill
9 requires that such an ordinance include specific provisions
10 for the reduction of terms of current trustees and specific
11 provisions for the subsequent election of trustees.